

VZCZCXRO3228
PP RUEHCHI RUEHDT RUEHHM RUEHNH RUEHTRO
DE RUEHGO #0648/01 2670925
ZNY CCCCC ZZH
P 240925Z SEP 09
FM AMEMBASSY RANGOON
TO RUEHC/SECSTATE WASHDC PRIORITY 9487
INFO RUCNASE/ASEAN MEMBER COLLECTIVE
RUEHGG/UN SECURITY COUNCIL COLLECTIVE
RUEHBY/AMEMBASSY CANBERRA 2287
RUEHNE/AMEMBASSY NEW DELHI 5748
RUEHUL/AMEMBASSY SEOUL 9352
RUEHKO/AMEMBASSY TOKYO 6936
RUEAIIA/CIA WASHDC
RHHMUNA/CDR USPACOM HONOLULU HI
RUEHGV/USMISSION GENEVA 4683
RHEHNSC/NSC WASHDC
RUCNDT/USMISSION USUN NEW YORK 2721
RUEKJCS/SECDEF WASHDC
RUEHBS/USEU BRUSSELS
RUEKJCS/JOINT STAFF WASHDC

C O N F I D E N T I A L SECTION 01 OF 02 RANGOON 000648

SIPDIS

STATE FOR EAP AND IO; PACOM FOR FPA

E.O. 12958: DECL: 07/27/2019

TAGS: [PGOV](#) [PREL](#) [PHUM](#) [BM](#)

SUBJECT: "COFFEE-AT EMPTOR:" THAN SHWE'S GRANDSON WINS
BURMA REGIME FAMILIES' SPAT

REF: RANGOON 330

Classified By: P/E Chief Jennifer A. Harhigh for Reasons 1.4 (b) & (d)

Summary

1. (C) Rangoon coffee klatches are abuzz with rumors about the fate of the "7 Lekker" coffee shop. The gleaming, modern cafe was in operation for a mere four-five months before it was reduced in early September to a rubble-strewn lot. Versions of its demise vary, but almost certainly the destruction resulted from a personal or business conflict among the sons and grandsons of Burma's most senior generals. The incident offers a window on intra-regime relations and the vicious reprisals the top elite can muster. End summary.

Bustling with customers one day, gutted the next

2. (C) On August 31, P/E Chief arrived at "7 Lekker" (also called Seven Corners) cafe to meet a contact. A handwritten sign reading "Shop Closed" was posted in the parking lot and P/E Chief observed laborers gutting the restaurant, which had been bustling with customers the previous day. The water coolers, shelves, chairs and other equipment were hurriedly being carried away as the cafe's former employees squatted together in the parking lot chanting Buddhist meditations, ostensibly to lament the loss of their jobs. A security guard offered no explanation other than to say the cafe had been ordered closed. Approximately a week later, the building itself was torn to the ground and the lot now sits empty. Workers erected a concrete and metal barrier sealing off even the parking lot.

3. (C) Over the next several weeks, the sudden demise of the cafe was the talk of the town. The concrete and glass facade, comfortable seating, flavorful coffee, and modern Thai/European menu rendered the cafe, which took months to build and opened in the spring, a popular hotspot. Business appeared good. Within a day, it was gone.

Lifestyles of the rich and vicious

¶4. (C) Versions vary, but it appears the cafe's destruction resulted from a personal or business dispute involving families of top regime leaders. Reportedly, the coffee shop was co-owned by a group of seven sons of senior generals, including Naing Lin Oo, the son of Secretary 1 Thiha Thura Tin Aung Myint Oo, and Aung Soe Tha, the son of Planning Minister Soe Tha (a civilian but one who is an important regime player). The mentioned two are reportedly classmates in an MBA program in Rangoon. The cafe, valued at around USD 92, 000, was constructed on land owned by the Ministry of Culture. Trouble arose in the person of Nay Shwe Thway Maung (aka Pho La Pyi), reportedly the favorite grandson of Than Shwe.

¶5. (C) In one version, related by businessman Anwar Hussein (protect), Secretary 1, in his capacity as head of the Trade Council, had denied permission for Pho La Pyi to purchase a property on Inya Road, an affluent area of Rangoon, with the intent to construct a platform to host celebrations during Burma's week-long water festival in April. Pho La Pyi later sought revenge by ordering the closure and eventual destruction of Seven Corners. Other contacts speculate Pho La Pyi wanted an ownership stake in the coffee shop and retaliated after he was rebuffed. A seemingly less plausible account involves Pho La Pyi ordering an expensive variety of coffee, being served an inferior brew, and demanding the closure upon exiting the cafe. An article in the Irrawaddy online reports rumors that Pho La Pyi's bodyguards smashed up the cafe before closing it down because Secretary 1 had refused him an import license for one of his businesses.

RANGOON 00000648 002 OF 002

¶6. (C) Nearly all versions point to a conflict, either personal or professional, between Than Shwe's grandson and Secretary 1's son. Pho La Pyi, said to be Than Shwe's favorite and his "heir apparent", has a reputation as a partier and a playboy. In his late teens, he is an avid soccer enthusiast and reportedly spurred the creation of a Burmese crony-led soccer league (reftel). Rumors circulated last year that he and friends had kidnapped a popular Burmese model, Wut Hmon Shwe Yi, and had held her for several days. For his part, Naing Lin Oo is reported to be involved in the rice trade and other business dealings.

Comment: The sins of the sons

¶7. (C) The Burma regime's elite families' lives are difficult for mere mortals to observe, and no outsider knows if rifts among the offspring of Burma's senior generals reflect tensions among the generals themselves. If, as seems to be the case, Than Shwe's favored grandson perceived he was wronged by Secretary 1 and if the coffee shop closing recycles resentments, it is conceivable such activities could spur bad blood among the top generals. Assuming Than Shwe's grandson actually did ensure the utter destruction of Seven Corners -- with the mere sale, transfer, or closure of the newly-constructed property apparently perceived to be insufficient punishment -- the intended moral presumably was: Than Shwe and his family are still in charge; even others in the regime elite dare challenge that reality at their peril.
DINGER